

## DEPARTMENT OF FINANCE BILL ANALYSIS

**AMENDMENT DATE:** August 15, 2011  
**POSITION:** Oppose  
**SPONSOR:** Children Now

**BILL NUMBER:** AB 823  
**AUTHOR:** R. Dickinson

### **BILL SUMMARY:** Children's Cabinet of California

This bill would establish the Children's Cabinet of California (Cabinet) as an advisory body responsible for improving collaboration among the multiple agencies that provide services to children and youth in California. The bill's provisions would sunset January 1, 2019.

### **FISCAL SUMMARY**

This bill would have an unknown fiscal impact on the state. Although this bill would require the Cabinet to be fully funded by federal and private funds, according to the Health and Human Services Agency (Agency), participating in the Cabinet likely would result in a significant level of workload for state departments to provide support to the Cabinet, which would not be accounted for in the Cabinet's funding. The Agency indicates that some departments would be unable to absorb this additional workload, which could result in General Fund (GF) costs. Furthermore, this bill requires that federal or private funds be "deposited with the state", but does not assign an entity or provide a mechanism for tracking such deposits. The Department of Social Services indicates if they are required to maintain these funds, this workload could not be absorbed.

The Department of Finance (Finance) would be responsible for certifying there are sufficient funds to support the Cabinet. This workload could be absorbed within existing resources. This bill would allow the Bureau of State Audits (BSA) to conduct an audit of the Cabinet; however, this is not required by the bill and only would be completed if existing resources were available. Furthermore, the cost of an audit performed by the BSA is normally paid for by the audited entity. This bill does not specify Cabinet funding may be used for this purpose.

### **COMMENTS**

Finance is opposed to this bill for the following reasons:

- This bill would result in unknown GF costs to support the Cabinet's activities. Notwithstanding any potential policy merit, the creation of a new entity that creates a GF cost pressure is inappropriate during this time of limited resources.
- This bill is unnecessary. The California Child Welfare Council was established by the Child Welfare Leadership and Accountability Act of 2006 and is responsible for improving the collaboration and processes of the multiple agencies and the courts that serve the children in the child welfare system.
- This bill is counter to Control Section 3.91 of the Budget Act of 2011, which abolished several advisory bodies, boards, and commissions in order to achieve efficiencies within state government. This bill would establish a new advisory body with responsibilities that overlap with the responsibilities of an existing workgroup.

(Continued)

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| Analyst/Principal<br>(0512) T. Calvert | Date | Assistant Program Budget Manager | Date |
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| Department Deputy Director | Date |
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| Governor's Office: | By: | Date: | Position Approved _____    |
|                    |     |       | Position Disapproved _____ |

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| BILL ANALYSIS | Form DF-43 (Rev 03/95 Buff) |
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**BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)****Form DF-43****AUTHOR****AMENDMENT DATE****BILL NUMBER**

R. Dickinson

August 15, 2011

AB 823

**COMMENTS** (Cont.)

The Cabinet would be required to make recommendations in a biennial report to the Governor and the Legislature on ways to improve coordination of services to children. The Cabinet would consist of various state department and agency directors and Legislative appointees. This bill's provisions would be implemented only after the Finance determines that sufficient federal or private funds have been deposited with the state to fully support the Cabinet's activities. The BSA may conduct a performance audit and report its findings to the Legislature on or before January 1, 2018. The bill's provisions would sunset January 1, 2019.

| Code/Department<br>Agency or Revenue<br>Type | SO | (Fiscal Impact by Fiscal Year) |       |                        |    |           |    |           |      |
|--|----|--------------------------------|-------|------------------------|----|-----------|----|-----------|------|
|  | LA | (Dollars in Thousands)         |       |                        |    |           |    |           |      |
|  | CO | PROP                           |       |                        |    |           |    |           | Fund |
|  | RV | 98                             | FC    | 2011-2012              | FC | 2012-2013 | FC | 2013-2014 | Code |
| 5180/Social Svcs                             | SO | No                             | ----- | See Fiscal Summary     |    |           |    | -----     | 0001 |
| 8855/Bureau Audit                            | SO | No                             | ----- | No/Minor Fiscal Impact |    |           |    | -----     | 0001 |
| 8860/Finance                                 | SO | No                             | ----- | No/Minor Fiscal Impact |    |           |    | -----     | 0001 |
| 9990/Var Depts                               | SO | No                             | ----- | See Fiscal Summary     |    |           |    | -----     | 0001 |